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Attorneys for Defendants

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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TERWIN WAREHOUSE MANAGEMENT	:	07 Civ. 5632 (LTS) (MHD)
LLC, as Program Administrator for and	:	
Assignee of TERWIN MORTGAGE	:	
WAREHOUSE TRUST II, SERIES XVI, and	:	
TERWIN ADVISORS LLC,	:	AFFIDAVIT IN SUPPORT OF
	:	MOTION TO WITHDRAW
Plaintiffs,	:	<u>AS COUNSEL</u>

-against- :

SPECTRUM FINANCIAL GROUP, INC.,	:	
JERRY CRAIG, SR. and	:	
JERRY CRAIG, JR.,	:	
	:	
Defendants.	:	

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STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

MARK E. KLEIN, being duly sworn, deposes and says:

1. I am a member of Ingram Yuzek Gainen Carroll & Bertolotti, LLP, attorneys for all defendants in this action. I respectfully submit this affidavit under Civil Rule 1.4 of the Local Rules of this Court in support of my firm's motion for permission to withdraw as counsel. Our clients have advised us that they lack the resources to pay my firm to defend against the claims in this action and have requested that we move to withdraw as their counsel. They have had the

advice of independent counsel in connection with this decision. We are contemporaneously submitting a client affidavit. This action is in the earliest stages; there has not yet been any discovery.

2. Plaintiffs filed their complaint against defendants, Spectrum Financial Group, Inc. ("Spectrum") and Jerry Craig, Sr. and Jerry Craig, Jr. (together, the "Craigs") on June 13, 2007. Spectrum is a mortgage broker in Arizona that underwrites, originates, and sells residential mortgages. Plaintiffs' claims in this case arise out of Spectrum's insolvency from bad mortgages. Plaintiffs' claims against the Craigs are based on the Craigs' guaranties of certain of Spectrum's obligations to one of the plaintiffs and upon the Craigs' alleged individual liability for a tort plaintiffs allege Spectrum committed.

3. The Court's Initial Conference Order, dated June 20, 2007, scheduled the first pre-trial conference for September 14, 2007.

4. Plaintiffs apparently completed service on or about July 2, 2007. My firm was retained on or about July 24, 2007 and filed an answer on behalf of all defendants on August 6, 2007.

5. On August 28, 2007, Spectrum filed a petition under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Arizona. A copy of the Bankruptcy Court Clerk's notice of filing is attached as Exhibit A.

6. We advised the Court of the bankruptcy filing in a letter dated September 5, 2007. Our letter also asked the Court to adjourn the initial conference. We advised the Court that our clients had been consumed with the bankruptcy filing and matters relating to it; as a result, they had not been able to devote the time needed to consider their options and to work with us so that we could comply meaningfully with the Court's Initial Conference Order.

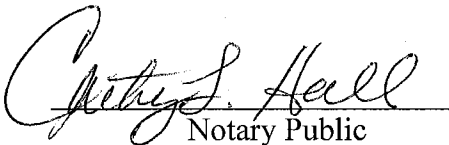
7. On September 7, 2007, Judge Griesa, sitting in Part I, adjourned the conference to September 25, 2007.

8. We have had many communications with the Craigs and their Arizona counsel about the work needed to comply with this Court's Initial Conference Order and to participate in discovery and potential motions. The Craigs have advised us that they do not have the resources to pay my firm to defend against the claims against them and that we should seek to be relieved as counsel.

WHEREFORE, for the reasons stated above, I respectfully request that the Court grant this motion to allow my firm to withdraw as counsel.


MARK E. KLEIN

Sworn to before me this
21st day of September 2007


Notary Public

CATHY L. HALL
Notary Public, State Of New York
No. 01HA4844430
Qualified In Kings County
Commission Expires January, 31, 2010